



No. 12138/15.03.2017

Submitted for analysis and approval in the OGMS dated 27/28.04.2017

Report on the appointment of the members of Transgaz' Board of Administration

SUMMARY

This report includes the application for the appointment of members of Transgaz' Board of Administration as of 30.04.2017, considering the request of the Public Supervisory Body to convene Transgaz' Ordinary General Meeting of the Shareholders to initiate the procedure for the selection of the members of Transgaz' Board of Administration (letter no 30051/PIN/14.03.2017, registered with Transgaz under no 11987/15.03.2017) and the application of the serving members of Transgaz' Board of Administration for the renewal of their mandates as administrators, drawn up by the report no 12067/15.03.2017.

PROPOSAL

Pursuant to Art. 29, para. (1) GEO 109/2011 on corporate governance of public enterprises, as amended and supplemented, we would like to hereby request Transgaz' Ordinary General Meeting of Shareholders to appoint the members of the company's Board of Administration.

DETAILED CONTENT OF THE REPORT

The Public Supervisory Body requested by letter no 30051/PIN/14.03.2017, registered with Transgaz under 11987/15.03.2017, the convening of Transgaz' Ordinary General Meeting of Shareholders in order to initiate the procedure for the selection of the new members of Transgaz' Board of Administration in line with the provisions of art. 29, par (3) of OUG 109/2011 on corporate governance of public enterprises, as amended and supplemented.

At the same time, by the report no 12067/15.03.2017, the serving members of Transgaz' Board of Administration requested, based on art. 29, par (14) of OUG 109/2011 on corporate governance of public enterprises, as amended and supplemented, the renewal of their mandates for a four years period, as of 30 April 2017.

Considering the provisions of art 19, sentence 1.2 of Transgaz' Articles of Incorporation, updated, according to which „Transgaz' Board of Administration is made up of 5 members” and that, as of 30 April 2017 the current Board of Administration terminates its mandate, the Nomination and Remuneration Advisory Committee considers that there is an urgent need to appoint the new members of the Board of administration by Transgaz' General Meeting of the Shareholders this being the attribute conferred by art. 29, par (1) of OUG 109/2011 on corporate governance of public enterprises, as amended and supplemented but also by art 15, sentence 3, par (b) of Transgaz' Articles of Incorporation, updated.

Consequently Transgaz' General Meeting of the Shareholders is required to appoint the members of the Board of Administration as of 30 April 2017.

The following documents are annexes to this report:

1. The letter of the Public Supervisory Body – Ministry of economy - nr. 30051/PIN/14.03.2-17, registered with Transgaz under no 11987 and
2. The Report no. 12067/15.03.2017 on the applications for the renewal of the mandates of the members of Transgaz' Board of Administration (the report without the annexes);

CHAIRMAN OF THE BOARD OF ADMINISTRATION

STERIAN ION